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Attorneys for Creditor
A.J. EXCAVATION INC.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In Re

PG&E CORPORATION

and

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

Bankruptcy Cases
19-30088-DM (Lead Case)
19-30089-DM

(Jointly Administered)

**A.J. EXCAVATION INC.'S NOTICE OF
PERFECTION OF LIEN**

(11 U.S.C. §§ 362, 546(b))

- | |
|---|
| <input type="checkbox"/> Affects PG&E Corporation |
| <input type="checkbox"/> Affects Pacific Gas and Electric Corporation |
| <input checked="" type="checkbox"/> Affects both Debtors |

****All papers shall be filed in the Lead Case
No. 19-30088 DM**

Creditor A.J. EXCAVATION INC., ("AJ"), by and through its undersigned counsel, hereby files this notice of perfection, maintenance, and continuation of perfection of its mechanics' lien against the Debtors, PG&E Corporation and Pacific Gas and Electric Company ("Debtors") pursuant to 11 U.S.C. sections 362(b)(3) and 546(b) ("Notice"). In support of this Notice, AJ represents the following:

1. AJ is organized as a California corporation, in the business of performing earthwork, grading, paving, foundation, fencing, excavation, maintenance and/or other related construction

1 services, with its principal place of business at 514 North Brawley Avenue, Fresno, California 93706.

2 2. Debtor Pacific Gas & Electric Company (hereinafter "PG&E") contracted AJ to
3 provide earthwork, grading, paving, foundation, fencing, excavation, maintenance, and/or other
4 related construction services for the improvement of certain real property owed, or reputed to be
5 owned, by PG&E, as provided more fully in the prepetition contract (Long Form) (hereinafter
6 "Contract") . The real property is located at the following address, along with the contract number,
7 more commonly known as:

8 **San Luis Obispo Substation**
9 **Johnson Ave & Occurt Road, San Luis Obispo, CA 93401**
10 **Contract #3132**

(hereinafter "Real Property").

11 3. Prior to the bankruptcy petition, AJ furnished such labor, materials, equipment, and/or
12 supervision for the earthwork, grading, paving, foundation, fencing, excavation, and other related
13 construction services for the improvement of the Real Property in accordance with the scope of work
14 contained in the Contract, and as amended by applicable work change orders.

15 4. The principal sum, exclusive of interest and other charges, that is currently due and
16 owing to AJ for the labor and materials provided to the PG&E pursuant to the Contract is:

\$46,668.00

18 5. Bankruptcy Code, 11 U.S.C. section 362(b)(3), provides that:

19 The filing of a petition under section 301, 302, or 303 of this
20 title...does not operate a stay... under subsection (a) of this section,
21 of any act to perfect, or to maintain or continue the perfection of, an
22 interest in property to the extent that the trustee's rights and powers
23 are subject to perfection under Section 546(b) of this title or to the
24 extent that such act is accomplished within the period provide under
25 section 547(e)(2)(A) of this title. 11 U.S.C. § 362(b)(3).

26 6. Bankruptcy Code, 11 U.S.C. section 546(b), provides that:

27 (1) The rights and powers of a trustee under sections 544, 545, and
28 549 of this title are subject to any generally applicable law that-

(A) permits perfection of an interest in property to be
effective against an entity that acquires rights in such property
before the date of perfection; or

(B) provides for the maintenance or continuation of perfection
of an interest in property to be effective against an entity that

1 acquire rights in such property before the date on which
2 action is taken to effect such maintenance or continuation.

(2) If –

3 (A) a law described in paragraph (1) requires seizure of such
4 property or commencement of an action to accomplish such
5 perfection, or maintenance or continuation of perfection of an
6 interest in property; and

7 (B) such property has not been seized or such an action has
8 not been commenced before the date of the filing of the
9 petition;

10 such interest in such property shall be perfected, or perfection of such
11 interest shall be maintained or continued, by giving notice within the
12 time fixed by such law for such seizure or such commencement. 11
13 U.S.C. § 546(b).

14 7. Pursuant to California Mechanic's Lien law, a claimant must commence an action to
15 enforce a lien within 90 days after recordation of the claim of lien. Cal. Civ. Code § 8460(a). Because
16 the Debtors filed their Chapter 11 petition for bankruptcy on January 29, 2019, it created an automatic
17 stay of all actions, including a claimant's action to enforce a lien. Thus, AJ was prevented from
18 commencing an action to enforce its liens against the Debtors and perfect its mechanic's liens under
19 the law.

20 8. Accordingly, AJ hereby gives this notice in lieu of the commencement of any action to
21 perfect, maintain, or otherwise preserve its mechanics' liens pursuant to 11 U.S.C. § 546(b) and
22 California Civil Code sections 8460(a), including the recording of a claim of lien, the commencement
23 of action to enforce the Mechanics' Liens, the filing of a Pendency of Action, and/or the service of
24 notice on purchasers of production on the Real Property ("Mechanics' Lien"). A true and correct copy
25 of the Mechanics' Lien is attached hereto as Exhibit "A" and incorporated by reference.

26 9. AJ hereby gives notice it intends to enforce its rights under the Mechanics' Lien to the
27 fullest extent allowed under the law. This Notice shall not be construed as an admission that such
28 filing is required or to the necessity of recording, commencement, or seizure. In addition, AJ hereby
gives notice that it has, or may be entitled to, additional mechanics' liens rights to properties owned
by the Debtors as they become due and owing according to prepetition contracts with the Debtors for
the improvement of real property. This Notice shall preserve and continue to preserve any and all of
AJ's rights as to the Mechanics' Liens and Bankruptcy Code.

1 10. AJ reserves the right to amend, supplement, or otherwise modify this Notice and
2 reserves any and all rights entitled to it under the applicable law.

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Dated: March 7, 2019

McCORMICK, BARSTOW, SHEPPARD,
WAYTE & CARRUTH LLP

By: /s/ H. Annie Duong
 David L. Emerzian
 H Annie Duong
 Attorneys for Creditor
 A.J. EXCAVATION INC.

1 **PROOF OF SERVICE**

2 **STATE OF CALIFORNIA, COUNTY OF FRESNO**

3 At the time of service, I was over 18 years of age and **not a party to this action**. I am
4 employed in the County of Fresno, State of California. My business address is 7647 North Fresno
Street, Fresno, CA 93720.

5 On March 7, 2019, I served true copies of the following document(s) described as **A.J.**
6 **EXCAVATION, INC.'S NOTICE OF PERFECTION OF LIEN** on the interested parties in this
action as directed by the Order Implementing Certain Notice and Case Management Procedures issued
March 6, 2019.

7 **BY ELECTRONIC FILING THROUGH CM/ECF PARTICIPANTS:** Based on the
8 Order Implementing Certain Notice and Case Management Procedures, transmission of service
through CM/ECF shall constitute effective service on that Registered Participant. My electronic
9 service address service is dawn.houston@mccormickbarstow.com, and I caused the document(s) to be
sent to the persons using the CM/ECF system. I did not receive, within a reasonable time after the
10 transmission, any electronic message or other indication that the transmission was unsuccessful.

11 I declare under penalty of perjury under the laws of the State of California that the foregoing is
true and correct.

12 Executed on March 7, 2019, at Fresno, California.

13
14
15 /s/ Dawn Houston
Dawn M. Houston

EXHIBIT A

NOTICE OF MECHANICS' LIEN ATTENTION!

Upon the recording of the enclosed MECHANICS' LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics' lien is recorded.

The party identified in the mechanics' lien may have provided labor or materials for improvements to your property and may not have been paid for those items. You are receiving this notice because it is a required step in filing a mechanics' lien foreclosure action against your property. The foreclosure action will seek a sale of your property in order to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics' lien is released.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS' LIENS GO TO THE CONTRACTORS STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

PROOF OF SERVICE AFFIDAVIT

I am a citizen of the United States and employed in Fresno County, California. I am over the age of eighteen (18) years and not a party to the action. My business address is: 514 N. Brawley Ave Fresno CA 93706

On this date I served the foregoing MECHANICS' LIEN on the owners of the property: Pacific Gas & Electric 77 Beale St. San Francisco CA 94105,
(Name & Address of Owner)
subject to the mechanics' lien:

☒ by placing a true copy thereof enclosed in a sealed envelope, first-class mail postage prepaid, evidenced by a certificate of mailing, to the owner at the owner's or reputed owner's residence or place of business address or at the address shown by the building permit on file with the authority issuing a building permit for the work, or as otherwise provided in Section 8174 of the California Civil Code.

☐ by personally delivering a true copy thereof to the person(s) at the address set forth below:

I declare under penalty of perjury under the laws of the State of California that foregoing is true and correct.

Executed on: 2-16-19

by: Alisa Emmett

(Your Name)

(SIGNATURE)

RECORDING REQUESTED BY

A.J Excavation
514 N. Brawley Ave.
Fresno CA 93706

AND WHEN RECORDED MAIL TO:

A.J Excavation
514 N Brawley
Fresno CA. 93706
San Luis Sub #18-105: Contract# 3132

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MECHANICS' LIEN

The undersigned A.J Excavation Inc.

[Name of person or firm claiming mechanics' lien. Contractors use name exactly as it appears on contractor's license]

Claimant claims a mechanics' lien upon the following described real property:

City of San Luis Obispo, County of San Luis Obispo, California,
San Luis Obispo Substation, Johnson Ave & Orcutt Rd., San Luis Obispo, CA 93401

[General description of property where the work or materials were furnished. A street address is sufficient, but, if possible, use both street address and legal description.]

Replace 70Kv Bus & Replace TLine @ San Luis Substation

Contract # 3132

Invoice #2018-995

The sum of \$ 46,668.00 together with interest thereon

[Amount of claim due and unpaid]

at the rate of 10% percent per annum from February 16th 2019

[Date when balance became due]

is due claimant after deducting all just credits and offsets for the following work and materials furnished by claimant Furnish & Install Foundations / Remove & Dispose Items / Fencing

[Insert general description of work or materials furnished]

Claimant furnished the work and materials at the request of, or under contract with

Pacific Gas & Electric

[Name of person or firm who ordered or contracted for the work or materials]

The owners and reputed owners of the real property or leasehold interest are

Pacific Gas & Electric

[Insert name of owner of real property. This can be obtained from the County Recorder]

Firm Name A.J Excavation Inc.

By: [Signature]

[Signature of claimant or authorized agent]

Alisa Emmett

[Printed name of claimant or authorized agent]

514 N. Brawley Ave., Fresno CA 93706

[Address of claimant or authorized agent]

VERIFICATION

I, the undersigned, say: I am the President

["President of," "Manager of," "A partner of," "Owner of," etc.]

the claimant of the foregoing mechanics' lien. I have read said claim of mechanics' lien and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 2/19/2019

[Date of Signature]

, at Fresno

[City Where Signed]

, California.

[Personal signature of the individual who is swearing that the contents of the claim of mechanics' lien are true.]

Alisa Emmett - President

[Printed name]

AJ Excavation Inc.

Fresno, CA 93706

O#559-408-5908

F #559-354-0639

Invoice

Date	Invoice #
9/24/2018	2018-995

Bill To
Pacific Gas & Electric P.O. BOX 7760 San Francisco, CA. 94120

P.O. No.	Terms	Project
2700032400		San Luis Obispo Replaceme...

Quantity	Description	Rate	Amount
	Billing #6 FINAL Billing (CCO#3?) We are billing off the signed FA's to get this billing completed.	46,668.00	46,668.00
		Total	\$46,668.00

Keith Gruver

From: Goodwin, Brian <B1G5@pge.com>
Sent: Friday, September 21, 2018 3:12 PM
To: Keith Gruver
Subject: RE: San Luis Final Invoicing

Looks good, please submit

Brian Goodwin
Civil Construction Manager
(559) 760-6655

From: Keith Gruver <keith@movendirt.com>
Sent: Friday, September 21, 2018 3:06 PM
To: Goodwin, Brian <B1G5@pge.com>
Subject: San Luis Final Invoicing

*******CAUTION:** This email was sent from an **EXTERNAL** source. Think before clicking links or opening attachments.*****

Brian,

The attached sheet has all of the San Luis billing per our phone conversation. I have the current billings highlighted in yellow. Billing 5 has the original contract quantities, CCO1 and CCO2. Billing 6 Final has FA 4. Let me know if this sheet works.

Thank you,

Keith Gruver
Cell: 559-577-2231





Contract (Long Form)

This is a Contract between the below named Contractor ("Contractor"), a California corporation, and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105.

Contractor's Legal Name:	A. J. Excavation, Inc.	PG&E Contract No. 3132
Contractor's Address:	9662 W. Kearney Blvd. Fresno, CA 93706	This Contract consists of 69 pages.
Project Name:	San Luis Obispo Repl 70kV Bus 74002229 and San Luis Obispo Repl TLine 74008361	
Job Location:	San Luis Obispo Substation, Johnson Ave. & Orcutt Rd., San Luis Obispo, CA 93401	

WORK: Contractor shall, at its own risk and expense, perform the Work described in this Contract and furnish all labor, equipment, and materials necessary to complete the Work as summarized below and as more fully described in Attachment 1, Scope of Work. This is not an exclusive Contract. This Contract does not guarantee Contractor any Work nor is there any guarantee as to any volume or duration of Work.

Contractor shall provide all necessary labor, tools, equipment, and machinery to demo old foundations, install new foundations and load and off-haul concrete and soil spoils at PG&E's San Luis Obispo Substation, located in San Luis Obispo, CA.

ATTACHMENTS: Each of the following documents is attached to this Contract and incorporated herein by this reference:

Attachment 1: Scope of Work, 14 Pages

Attachment 2: General Conditions, 47 Pages

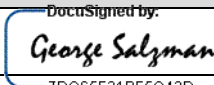
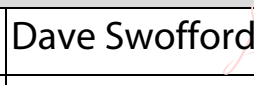
Attachment 3: PG&E Authorized Disposal & Recycling Facilities, 6 Pages

CONTRACT TERM:	This Contract is effective upon signature by both parties and expires on May 31, 2018 .
COMPLETION:	Contractor shall commence performance hereof when directed to do so by PG&E. Work shall be completed by the completion date of May 31, 2018 . Time is of the essence.
INSURANCE:	Contractor shall maintain insurance in accordance with Section 25. of the General Conditions.
TERMS OF PAYMENT:	In accordance with Section 15. & 16. of the General Conditions.

CONSIDERATION: As full consideration for satisfactory performance of the Work by Contractor, PG&E's total obligation to Contractor shall not exceed the following amount. This amount is inclusive of all taxes incurred in the performance of the Work. Any change to this amount shall only be authorized in writing by a PG&E Contract Change Order, fully executed by both PG&E and Contractor.

TOTAL: \$510,675.75 Unit Price Not to Exceed

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT.

PACIFIC GAS AND ELECTRIC COMPANY		CONTRACTOR: A. J. EXCAVATION, INC.	
Signature	 George Salzman	Signature	 Dave Swofford
Name	Karen Sterling	Name	Dave Swofford
Title	Manager, Sourcing Portfolio	Title	VP Utility
Date	11/21/2017	Date	11/14/2017

DATE: 5/14/2018

Field Authorization for Addition/Deduction of Work

LOCATION: San Luis Obispo Substation ORDER NO./PCC 74002229
 CONTRACTOR AJ Excavation Inc. CONTRACT NO. 3132
 FIELD AUTHORIZATION NO. 2
 DATE WORK TO OCCUR 5/21/2018

Specific description of work to be added or deleted. For hourly rate work, list labor and equipment classifications, hours of work, and hourly rates as applicable.

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Scope Change | <input type="checkbox"/> Planning: External Party | <input type="checkbox"/> Contract Errors - Planning |
| <input type="checkbox"/> Planning: Cancellation | <input type="checkbox"/> Emergency Work | <input type="checkbox"/> Contract Errors - Development |
| <input type="checkbox"/> Planning: Permitting | <input type="checkbox"/> External Factors | <input type="checkbox"/> Unforeseen Conditions |
| <input type="checkbox"/> Planning: Clearances | <input type="checkbox"/> Engineering & Design | <input type="checkbox"/> Other |

General Description:

Extra mobilizations and de-mobilizations due to multiple mobs/de-mobs used to off haul dirt to make room in substation for materials

DESCRIPTION	QTY	UNIT	PRICE/EA	Price
Mobilizations and de-mobilizations	2	LS	\$2,000.00	\$4,000.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00
				\$0.00

TOTAL LUMP SUM OR NOT TO EXCEED (UNIT PRICE
OR TIME & MATERIALS) AMOUNT

\$4,000.00

This document, upon signature by PG&E and Contractor, will be used by PG&E to validate and prepare a Contract Change Order and allow additional in-scope work to proceed until a Contract Change Order is executed. Compensation to Contractor for above work will be based on the estimated amount shown above, and as negotiated by PG&E and Contractor. Contractor may not invoice or receive payment for additional compensation and work until a Contract Change Order has been executed by both parties. PG&E reserves the right to suspend, cancel, or terminate the above described work at any time. Should the above described work be cancelled by PG&E, Contractor will be reimbursed for actual costs incurred up to the time work was cancelled.

PREPARED by PG&E with signature	DATE	APPROVED OR RECOMMENDED by PG&E Supervisor with signature	DATE
			
		APPROVED OR RECOMMENDED by PG&E Manager with signature (if necessary per delegation of authority)	DATE
ACCEPTED by Contractor's Representative with signature	DATE	APPROVED OR RECOMMENDED by PG&E Director with signature (if necessary per delegation of authority)	DATE
	5/15/2018		



Contract Change Order

This is Change Order ("CO") No. 03 to Contract No. 3132 dated 11/21/2017 between the below-named Contractor ("Contractor"), a California corporation, and Pacific Gas and Electric Company ("PG&E"), a California corporation with its headquarters located at 77 Beale Street, San Francisco, California 94105. Contractor shall perform all Work under this Contract, as amended by this Change Order, pursuant to and in accordance with the terms and conditions of the Contract.

Contractor's Legal Name:	A. J. Excavation, Inc.	This Contract Change Order consists of 2 pages.
Contractor's Address:	9662 W. Kearney Blvd. Fresno, CA 93706	
Project Name:	San Luis Obispo Repl 70kV Bus 74002229 and San Luis Obispo Repl TLine 74008361	
Job Location:	San Luis Obispo Substation, Johnson Ave. & Orcutt Rd., San Luis Obispo, CA 93401	

CHANGES: The Parties hereby modify the Contract referenced above as follows:

Change Order No. 03 is issued to add a Unit Cost and Time and Material, Not to Exceed Amount of **\$46,668.00** for the contractor to:

- Provide twenty (20) cubic yards of concrete required for HVCB Stoops and Operating Platforms; fifty tons (50) baserock and dress up to yard (T&M) in order to complete concrete steps and grade work as directed by PG&E onsite Work Supervisor Warren Frank or his designee in charge. (concrete @ \$1,850.00-unit price x 20 CY = \$37,000.00; 50 tons baserock @ \$30.00-unit price per ton = \$1,500.00; Dress up yard (\$8,168.00 T&M NTE)

This Change Order is signed as of the latest signature date below provided that the Parties specifically agree that this Contract shall be deemed to have been in effect continuously and without interruption since the original effective date of 11/21/2017. All other work descriptions, terms, and conditions of the original contract and all prior Change Orders shall remain unchanged and in full effect.

ATTACHMENTS: The following are attached to this Contract Change Order and incorporated herein by this reference.

None

PRICING CHANGES:	Previous Total Contract Value:	\$567,475.75
	Addition or Deduction:	\$46,668.00
	Revised Total Contract Value:	\$614,143.75

All other terms and conditions of the Contract, as it may have been amended by previous Contract Change Order(s), if any, shall remain the same.

THE PARTIES, BY SIGNATURE OF THEIR AUTHORIZED REPRESENTATIVES, HEREBY AGREE TO THE TERMS OF THIS CONTRACT CHANGE ORDER.

PACIFIC GAS AND ELECTRIC COMPANY		CONTRACTOR: A. J. EXCAVATION, INC.	
Signature	 DocuSigned by: Janetta Tarter D49087CE9AA24AD...	Signature	 DocuSigned by: Alisa Emmet 76DCCB576A384DB...
Name	Janetta Tarter	Name	Alisa Emmet
Title	Supervisor, Sourcing	Title	Alisa Emmett President
Date	10/15/2018	Date	10/15/2018